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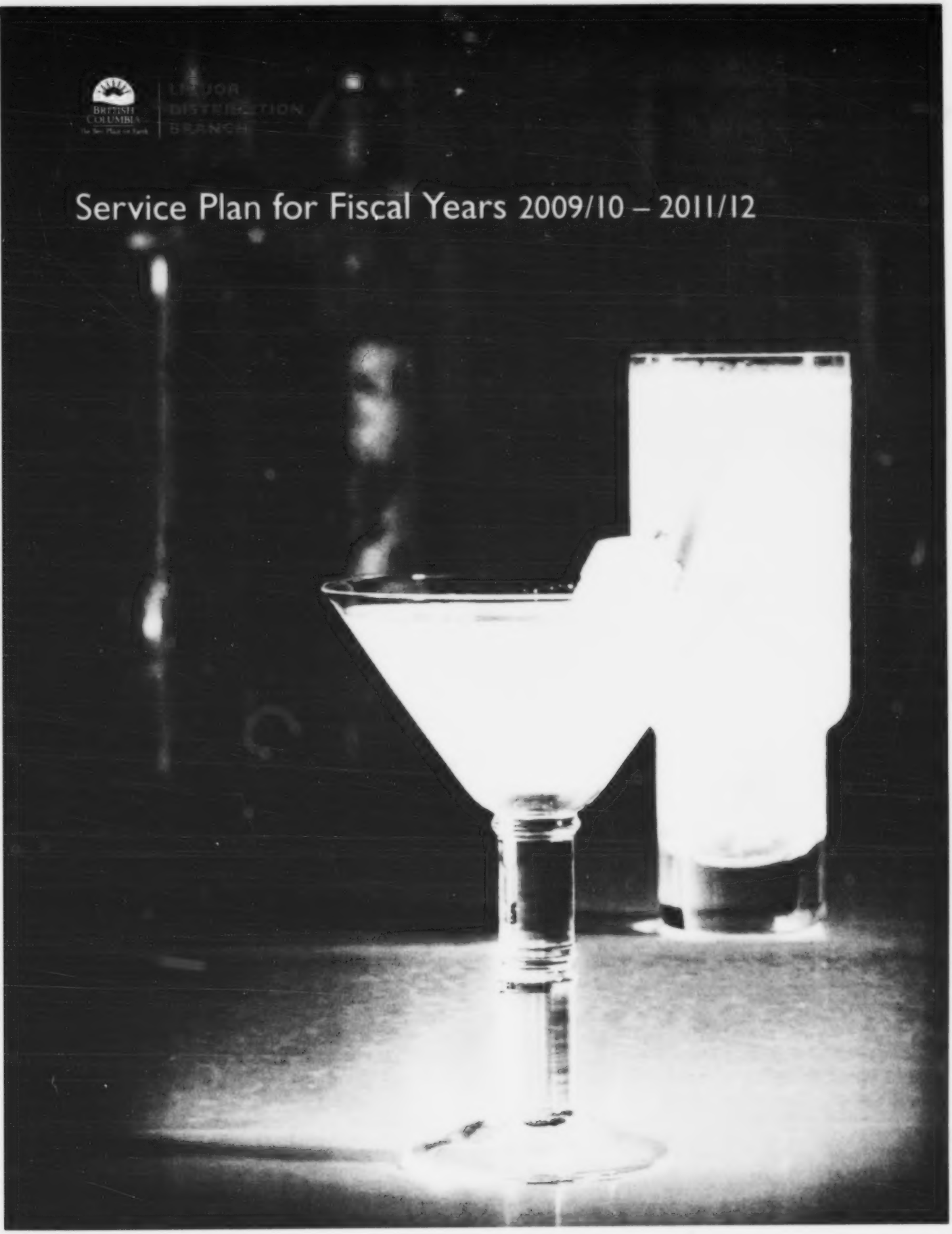
LIQUOR DISTRIBUTION BRANCH

Service Plan for Fiscal Years 2009/10 – 2011/12



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February 02, 2009
The Honourable Rich Coleman,
Minister of Housing and Social Development:

On behalf of all of the employees of the Liquor Distribution Branch (LDB), I am pleased to present our service plan for fiscal years 2009/10 to 2011/12.

This plan supports our mission to be a customer-focused, profitable retailer and wholesaler of beverage alcohol dedicated to innovation, exemplary service, helpful product knowledge and corporate responsibility.

Over the three years covered by this plan, the LDB estimates it will generate $2.75 billion in net income to government. In addition to our financial performance, the LDB's high-level goals also include workplace quality and employee excellence, customer experience, business effectiveness and corporate responsibility.

This year, we concluded an Enterprise Risk Assessment to further strengthen our Business Continuity and Risk Management planning. Additionally, we solidified our workforce plan to address our succession management process, and were honoured to be recognized as one of British Columbia's Top 50 Employers for 2009 by Maclean's Magazine. These factors help to ensure that we have measures in place to deal with any challenges that come our way.

The LDB is also well into the development of a comprehensive Green Plan to support our environmental initiatives. This year, many positive environmental programs were initiated, including our Think Green Shop Smart in-store awareness campaign. I am pleased to report that we have seen a 23 per cent reduction in our plastic bag usage in the past 12 months.

As a result of the recent downturn in the world economy, the LDB will be closely monitoring its sales and expenses. The LDB will also collaborate with its industry partners to identify opportunities and challenges as we move through these uncertain times.

The 2009/10 - 2011/12 British Columbia Liquor Distribution Branch Service Plan was prepared under my direction in accordance with the *Budget Transparency and Accountability Act*. The plan is consistent with government's strategic priorities. I am accountable for the contents of the plan, including the selection of performance measures and targets.

All significant assumptions, policy decisions and identified risks, as of January 2009, have been considered in preparing the plan. The performance measures presented are consistent with the LDB's mandate and goals, and focus on aspects critical to the organization's performance. The performance targets in this plan have been determined based on an assessment of the LDB's operating environment, forecast conditions, risk assessment and past performance.

Jay Chambers
General Manager

Table of Contents

Organization Overview
Governance 4
Business of the Liquor Distribution Branch 5

Strategic Context
Vision 6
Mission 6
Values 6
Planning Context 7
Key Strategic Issues 7

Risk Management 9

Strategic Direction
The Four Pillars Framework 10
High-Level Goals 10

Objectives, Strategies & Performance Measures
Goal 1: Financial Performance 11
Goal 2: Workplace Quality and Employee Excellence 12
Goal 3: Customer Experience 13
Goal 4: Business Effectiveness 14
Goal 5: Corporate Responsibility 15

Performance Measure Descriptions
Performance Management Systems 16
Benchmarking 17

Summary Financial Outlook 18

Segmented Financial Outlook 19

Executive Organization 20

Contact Information 21

Governance

Reporting to the Minister of Housing and Social Development, the LDB is responsible for the importation, distribution, wholesaling and retailing of beverage alcohol in British Columbia.

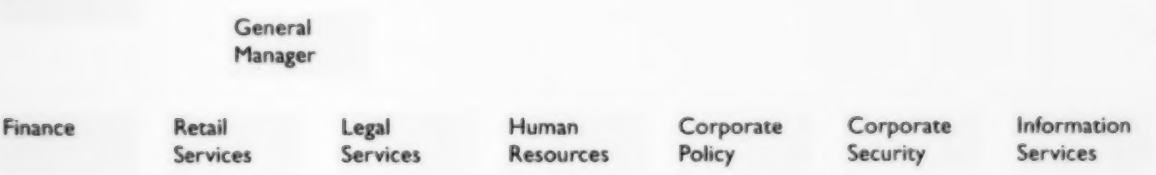
The LDB follows Crown Agencies Secretariat guidelines for service plans and annual reports, and is reported out in public accounts in a manner similar to a commercial Crown corporation, on a modified equity basis.

Under the authority of the *Liquor Distribution Act*, the LDB has the sole right to purchase beverage alcohol, both inside and outside of British Columbia, in accordance with the *Importation of Intoxicating Liquors Act (Canada)*.

The *Liquor Distribution Act* specifies that the minister must appoint a general manager and that the general manager is responsible for administering the Act, including the general control, management and supervision of liquor stores, subject to the orders, directions and supervision of the minister. The Act further clarifies the powers of the general manager and delineates the administration of the LDB and the operation of its retail liquor stores.

The LDB is also responsible for the appointment of rural agency stores.

Another branch within the Ministry of Housing and Social Development, the Liquor Control and Licensing Branch (LCLB), enforces the *Liquor Control and Licensing Act*. The LCLB is responsible for the licensing, monitoring and enforcement of the Act and regulations related to private liquor stores, restaurants, pubs and manufacturers.



Shareholder's Letter of Expectations

A key component of the LDB's governance framework is the Shareholder's Letter of Expectations, an agreement between the minister on behalf of government, and the general manager of the LDB. This document establishes the LDB's mandate and identifies government's strategic priorities and performance expectations for the LDB. The direction is shown in the following information.

Government Direction

- Inform the Shareholder on a regular basis of any major changes occurring or likely to occur in the beverage alcohol market, or within the LDB itself, that may impact on the LDB's achievement of its Service Plan targets either negatively or positively.
- Implement financial reporting that clearly segregates retail and distribution operations to enable transparent disclosure of costs at the retail and wholesale levels.
- Comply with the Shareholder's and the LCLB's direction to rationalize and improve the regulatory framework for the importation, distribution and retailing of beverage alcohol products in British Columbia.
- Comply with the Shareholder's and LCLB's direction to deliver corporate responsibility programs and service delivery rules and regulations.

Business of the Liquor Distribution Branch

The LDB operates a province-wide beverage alcohol retail and distribution business within a mixed public-private model.

With a workforce of approximately 3,500 full-time and part-time employees, the LDB, as of January 2009 operates:

- 197 government liquor stores throughout the province;
- two distribution centres, in Vancouver and Kamloops; and
- a head office facility in Vancouver.

The LDB purchases beverage alcohol from over 400 suppliers and manufacturers in British Columbia, across Canada and around the world. Licensed manufacturing sites in British Columbia include 163 wineries, 52 breweries and brew pubs, and 14 distilleries.

As of January 2009, private-sector retail establishments in British Columbia included:

- 676 Licensee Retail Stores (LRSs - private retail liquor stores licensed to sell all liquor products);
- 227 Rural Agency Stores (RASs - general merchandise stores in rural communities authorized to sell all liquor products);
- 202 on-site manufacturer stores (retail stores at wineries, breweries and distilleries that sell alcoholic products manufactured on-site);
- 35 off-site manufacturer stores (retail stores operated by the British Columbia wine industry that sell British Columbia winery products);
- 12 independent wine stores (private retail stores authorized to sell all types of wine); and
- 11 duty-free stores.

Percentage of Gross $ Sales by Sales Channel 2007/08

Government Liquor Stores	40.5%
Licensee Retail Stores	32.3%
Licensee (pubs, bars, restaurants)	19.1%
Agency Stores	8.1%

Percentage of Gross $ Sales by Product Category 2007/08

Beer	40.4%
Wine	28.9%
Spirits	26.3%
Ciders/Coolers	4.0%
Special Orders/Non-alcoholic	0.4%

VISION

That our customers have the opportunity to discover, enjoy and share the evolving world of beverage alcohol.

MISSION

To be a customer-focused, profitable retailer and wholesaler of beverage alcohol dedicated to innovation, exemplary service, helpful product knowledge and corporate responsibility.

VALUES

Exemplary Service
We take pride in the quality of our work. We strive for excellence in serving customers and coworkers.

Public Safety and Corporate Responsibility
We encourage and support the responsible use of beverage alcohol.

Integrity
We take responsibility and are fully accountable for our actions, decisions and behaviour. We are open, honest and fair.

Respect
We treat all individuals with fairness, dignity and respect.

Teamwork
We support one another to achieve corporate goals.

Innovation
We encourage our people to find innovative and creative ways to improve our business.

Planning Context

Improvements in information and technology systems have an ongoing impact on the LDB's ability to deliver leading edge customer service to both retail and wholesale customers. Improvements in data management and gathering continue to provide increased opportunities for the LDB to gain operational efficiencies, identify and address illicit activity, identify retail trends and upgrade merchandising strategies.

As a part of this process, the LDB began testing a new web/online ordering system for wholesale customers in the Fall of 2008. The online ordering system was developed in conjunction with the government-wide One Stop/Identity Management and User Provisioning (IdM) project to ensure secure, effective and efficient access for our customers.

Technological advancements assist the LDB to manage the risks associated with Business Continuity and Disaster Recovery. This year, the LDB conducted an Enterprise Risk Assessment to further enhance our ability to respond appropriately in the event of an emergency or disaster.

Additionally, the LDB completed a comprehensive Green Plan this year to guide us in our carbon neutral objectives. As a part of this process, many positive environmental programs were initiated, including an in-store environmental awareness program called Think Green Shop Smart. As a part of this program, cashiers in British Columbia Liquor Stores routinely ask customers if they are able to take their purchase without a plastic shopping bag, and offer customers the option of purchasing a reusable bag. The LDB has seen a 23 per cent reduction in bag usage since this program was initiated. As the Think Green Shop Smart program continues to gain momentum, we anticipate that our British Columbia Liquor Stores are on track for a 50 per cent reduction in plastic bag usage. British Columbia Liquor Stores supports the Retail Council of Canada's initiative to reduce plastic bag use by 50 per cent by 2013.

The LDB has historically had a low employee turnover rate, which has resulted in the organization retaining a large group of experienced, long-term employees, many of which are nearing retirement age. To address the challenges associated with an aging workforce, succession plans have been developed to assist the LDB in identifying and securing the skills and competencies required to deliver on its business strategies. This year the LDB was proud to be selected as one of Maclean's Top 50 Employers for British Columbia.

Key Strategic Issues

Wholesale

The LDB processes more than 11 million cases of beverage alcohol annually through its two Distribution Centres in Vancouver and Kamloops – 40 to 50 thousand cases a day through the Vancouver Distribution Centre alone. This represents more than $1.3 billion in annual sales.

As part of the plan to continue to improve services to our increasing wholesale customer base, the LDB this year began testing a new web/online ordering system.

Retail

British Columbia Liquor Stores average over 700,000 customer transactions each week, making the LDB one of the province's largest retail organizations.

Some areas of continuing customer service focus include: featuring British Columbia Vintners Quality Alliance (VQA) Wines at all retail stores; operating an on-site store during the Fall Okanagan Wine Festival and the Vancouver Playhouse International Wine Festival; offering a broad selection of both international and domestic products in all British Columbia Liquor Stores; working with consulates and trade organizations to support their marketing efforts through store displays, trade events and in-store tastings; continually updating and developing the LDB website, www.bcliquorstores.com; offering gift card options; and continuing the publication of the LDB's award-winning in-store magazine, TASTE.

Corporate Responsibility

The LDB includes corporate responsibility as a part of its daily operations. Throughout the year, the LDB sponsors or participates in a number of awareness programs and initiatives that further its public safety goal by promoting the responsible use of alcohol in its retail stores. These include:

- Monthly responsible consumption of alcohol messages in stores
- Just Checking! 2-ID
- Support Dry Grad
- Get Home Safe

These programs address major areas considered to present risk, including alcohol and pregnancy, drinking and driving, and over-consumption. The LDB's responsible-use initiatives continue to maintain high levels of recognition and respect from the public, employees, suppliers and other liquor jurisdictions and agencies.

Support Dry Grad

Since 2001, the British Columbia Liquor Stores annual Support Dry Grad campaign has raised in excess of $2.3 million for alcohol-free high school graduation events. Customers of British Columbia Liquor Stores are encouraged to donate one dollar or more to support dry graduation celebrations in their communities. In 2008, British Columbia Liquor Stores raised over $625,000, a 30 per cent increase over the previous year.

Share a Bear

Since 1989, British Columbia Liquor Stores have offered plush bears for sale to customers in November and December. For every bear purchased by a customer, its "twin" is donated by British Columbia Liquor Stores to a children's charity. Program success is driven by the stores, with individual stores selecting local charities to support. Beneficiaries include Christmas stocking funds, police and ambulance services, hospitals and other community charities. In 2008, over 30,500 bears were sold.

Provincial Employees Community Services Fund (PECSF) Campaign

The Community Fund is a fundraising campaign supported voluntarily by employees throughout the provincial government. Proceeds are raised through employee contributions and special fundraising events, with 100 per cent of the money raised going to a variety of British Columbia charities. In 2008, the LDB employee contribution for 2008 was $203,718 and represents a 20% increase from the previous year.

24 Hour Relay for the Kids

Every June since 1995, members of the LDB Beer-O-Crats team have laced up their sneakers to raise funds for the 24 Hour Relay for the Kids, the largest fundraiser of its kind in North America. Funds are raised for the Lions Society's three Easter Seal Camps, specially equipped for children with disabilities. In 2008, the Beer-O-Crats raised more than $11,775 bringing our lifetime total to more than $100,000.

RISK FACTORS AND SENSITIVITIES		MITIGATING STRATEGIES
Information Technology		
The upgrading of information systems is key in the delivery of efficient and effective services to LDB's retail and wholesale customers. The replacement of older, difficult to maintain systems with new systems creates challenges in integrating applications and ensuring accurate information.	>	The LDB is replacing older systems on a scheduled basis and is working to improve the integration of new systems.
Payment Card Industry Compliance		
In order for the LDB to provide credit card service in BC Liquor Stores, it must comply with the new Payment Card Industry (PCI) Data Security Standard.	>	The LDB is in the process of developing and implementing a compliance plan that coordinates with the government-wide efforts currently underway.
Recruiting and Retention of Skilled Employees		
The LDB and many other organizations are expecting greater difficulties in staffing key positions due to increased retirements and a competitive job market.	>	The LDB has increased its succession planning efforts in order to recruit skilled employees from outside the organization and to support the career development of employees within the organization.

The LDB Executive Management Committee meets monthly to discuss service plan performance, risks and mitigating strategies.

The Four Pillars Framework

The LDB has organized its strategic priorities and key objectives around the concept of four pillars. Overarching these four pillars is the financial performance goal, and supporting them are the LDB's dedicated employees.

High-Level Goals

GOAL 1

Financial Performance

Meet financial objectives approved by government.

GOAL 2

Workplace Quality and Employee Excellence

Create a work environment that encourages greater employee engagement.

GOAL 3

Customer Experience

Maintain the high level of wholesale and retail customer experience.

GOAL 4

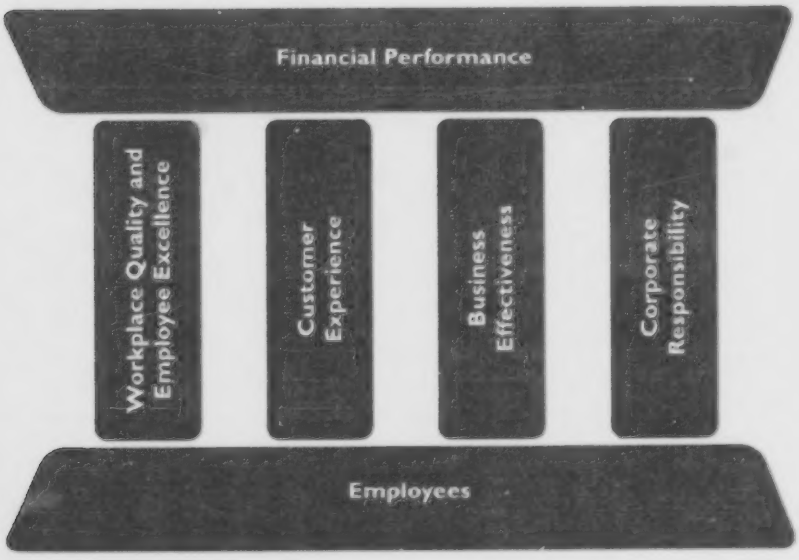
Business Effectiveness

Maintain operating efficiencies in a climate of constant change.

GOAL 5

Corporate Responsibility

Encourage the responsible use of beverage alcohol.



GOAL 1

FINANCIAL PERFORMANCE

Meet financial objectives approved by government.

STRATEGY: **Grow sales and effectively manage operating expense**

PERFORMANCE MEASURES In Millions $	ACTUAL Fiscal 2007-08	FORECAST Fiscal 2008-09	TARGETS Fiscal 2009-10	Fiscal 2010-11	Fiscal 2011-12
1.1 Net income	857.2	867.1	896.0	918.5	938.3

Performance Measure Description

1.1 Net income – Net income is the contribution made to government by the LDB. Net income is reported in accordance with generally accepted accounting principles.

Significant Changes From The Service Plan For Fiscal Years 2008/09-2010/11

The performance measures under this goal have been reduced to a single measure, "Net Income" to align with industry standards.

GOAL 2

WORKPLACE QUALITY AND EMPLOYEE EXCELLENCE

Create a work environment that encourages greater employee engagement.

STRATEGIES:
1. Enhance staff skills and engagement through management development, employee training and increased communication
2. Implement succession management plans for the organization
3. Provide a safe, healthy and harassment-free workplace

PERFORMANCE MEASURES	ACTUAL Fiscal 2007-08	FORECAST Fiscal 2008-09	TARGETS Fiscal 2009-10	Fiscal 2010-11	Fiscal 2011-12
2.1 Employee engagement	N/A – was not measured.	68	70	72	74

Performance Measure Description

2.1 Employee engagement – The degree to which LDB employees feel engaged and satisfied with the work environment and involved with the corporate vision and mission. This is evaluated by conducting an annual survey sent to all employees. Employee performance is directly related to satisfaction with the work environment and commitment to the organization's vision and mission.

Significant Changes From The Service Plan For Fiscal Years 2008/09-2010/11

The future targets under this goal have been amended to reflect organizational and provincial trends and benchmarks.

GOAL 3

CUSTOMER EXPERIENCE

Maintain the high level of wholesale and retail customer satisfaction.

STRATEGIES: 1. Continuously refresh the store network
2. Continuously provide enhanced customer services

PERFORMANCE MEASURES	ACTUAL Fiscal 2007-08	FORECAST Fiscal 2008-09	TARGETS* Fiscal 2009-10	Fiscal 2010-11	Fiscal 2011-12
3.1 Retail customer satisfaction	98%**	89%	N/A	90%	N/A
3.2 Wholesale customer satisfaction	N/A – not measured	82%	N/A	90%	N/A

** In order to allow customers sufficient time to experience and assess LDB service improvement initiatives, surveys are conducted once every two years.*

*** The 98 per cent satisfaction rating the LDB received from retail customers in fiscal 2007-08 is unusually high. The LDB's overall goal is to maintain retail customer satisfaction at the 90 per cent measure.*

Performance Measure Descriptions

3.1 Retail customer satisfaction – Retail customer satisfaction with LDB store service is determined through customer surveys conducted every two years in a sample of GLSs. This measure is an indicator of the LDB's efforts to improve service to retail customers and will identify key opportunities for improvement.

3.2 Wholesale customer satisfaction – The level of wholesale customer satisfaction with LDB service as determined by customer surveys sent every two years to a cross-section of wholesale customers. This measure is an indicator of the LDB's efforts to improve service to wholesale customers and will identify key opportunities for improvement.

Significant Changes From The Service Plan For Fiscal Years 2008/09-2010/11

The measure "Average retail customer transaction value" has been moved to the Benchmark section of the Plan.

GOAL 4

BUSINESS EFFECTIVENESS

Maintain operating efficiencies in a climate of constant change.

STRATEGIES: 1. Maximize the potential efficiencies available through improved distribution operations
2. Increase the use of current and cost effective technology

PERFORMANCE MEASURES	ACTUAL Fiscal 2007-08	FORECAST Fiscal 2008-09	TARGETS Fiscal 2009-10	Fiscal 2010-11	Fiscal 2011-12
4.1 BC Liquor Stores sales per square foot	$1,224	$1,270	$1,301	$1,327	$1,355
4.2 Distribution centre labour cost per case shipped	$1.67	$1.67	$1.69	$1.69	$1.69
4.3 Distribution centre line fill rate	N/A	N/A	90%	90%	90%

Performance Measure Descriptions

4.1 BC Liquor Stores sales per square foot – Total LDB store gross sales divided by total store system square feet. This is one measure of LDB store operating efficiency. This measure excludes wholesale stores 100 and 231.

4.2 Distribution centre labour cost per case shipped – Total distribution centre labour expenses divided by total distribution centre case shipments. This measure is an indicator of distribution centre labour productivity.

4.3 Distribution centre line fill rate – A measure of the completeness of orders filled by LDB distribution centres. The measure is calculated by dividing the number of order lines (SKUs) filled completely by the total number of order lines placed by LDB stores and wholesale customers. The calculation excludes products that are not stocked by LDB distribution centres.

Significant Changes From The Service Plan For Fiscal Years 2008/09-2010/11

The measure "Distribution centre accuracy rate" has been adjusted to "Line Fill Rate" to reflect industry standards.

GOAL 5

CORPORATE RESPONSIBILITY

Encourage the responsible use of beverage alcohol.

STRATEGIES:
1. Prevent sales to minors or intoxicated persons in BC Liquor Stores through increased staff education and enforcement of ID-checking requirements
2. Promote awareness of responsible use by continuing co-operative programs with suppliers and other stakeholders

PERFORMANCE MEASURES	ACTUAL Fiscal 2007-08	FORECAST Fiscal 2008-09	TARGETS Fiscal 2009-10	Fiscal 2010-11	Fiscal 2011-12
5.1 Store compliance with ID-checking requirement	N/A – not measured	66%*	100%	100%	100%
5.2 Customer awareness of LDB corporate responsibility programs**	89%	90%	N/A	90%	N/A

** British Columbia Liquor Stores staff are 92% compliant in requesting one piece of ID, however, the requirement for two pieces of ID has been adhered to less strictly. The LDB has an education program in place to assist staff and is working towards achieving this goal.*

*** In order to allow customers sufficient time to experience and assess LDB service improvement initiatives, surveys are conducted once every two years.*

Performance Measure Descriptions

5.1 Store compliance with ID-checking requirement – Compliance is measured by dividing the number of violations to the ID-checking requirement by the number of times compliance is checked. The Liquor Control and Licensing Branch checks GLS compliance with ID-checking requirements. A sample of GLSs is checked at least once per year.

5.2 Customer awareness of LDB corporate responsibility programs – The degree to which LDB store customers are aware of the LDB's corporate responsibility programs. This measure is determined by customer surveys conducted every two years.

Significant Changes From The Service Plan For Fiscal Years 2008/09-2010/11

The measure "In-store responsible-use beverage alcohol programs" has been deleted from this goal as the "Customer awareness of LDB corporate responsibility programs" measure is already reflective of objective.

The following information summarizes the source and accuracy of the data used for the service plan performance measures.

Sales Data (Performance Measures 1.1 and 4.3):
Sales data for government liquor stores (GLSs) is collected from computerized point-of-sale cash register systems and stored in head office databases. Sales made directly to customers by agents on behalf of the Liquor Distribution Branch (LDB) are transmitted to the LDB and stored in databases. LDB financial statements are audited by the Office of the Auditor General annually.

Expense Data: (Performance Measures 1.1 and 4.2):
LDB expense data is captured, stored and reported by the LDB's financial system. The LDB's financial statements are audited by the Office of the Auditor General annually.

Employee And Customer Surveys (Performance Measures 2.1, 3.1, 3.2, 5.2):
The LDB contracts with professional survey agencies to ensure that survey results are statistically valid.

ID-Checking (Performance Measure 5.1):
The Liquor Control and Licensing Branch checks GLS compliance with ID-checking requirements. A sample of GLSs is checked at least once per year and the results are provided to the LDB.

BENCHMARKING

The LDB benchmarks itself with three other provinces: Alberta, Manitoba and Ontario. Although other provincial liquor authorities have many similarities with the LDB, there are important differences that impact the comparability of certain statistics. For example, in Ontario most beer is sold through a private Brewers Retail system, which results in lower sales per square foot for government stores in that province when compared to the LDB, which sells a large amount of beer through its stores.

Average Retail Customer Transaction Value

Gross LDB store sales to retail customers divided by the number of retail customer transactions. This measure is an indicator of the LDB's success in improving the customer's retail shopping experience compared to other provincial government stores.

Per Capita Net Income of Beverage Alcohol

This measure shows how the British Columbia liquor system compares to other provinces from the perspective of generating government revenue.

Government Liquor Store (GLS) Operating Expenses as a Percentage of Store Sales

This measure is an indicator of LDB store efficiency as compared to other provincial government stores.

Sales Per Square Foot (retail and wholesale)

This is another indicator of the efficiency of the LDB's store system.

Benchmarking – Fiscal 2006/07

	British Columbia	Alberta	Manitoba	Ontario
Average Retail Customer Transaction Value	$28.95	N/A	$ 32.06	$ 32.41
Per Capita Net Income of Beverage Alcohol	$192	$190	$175	$139
GLS Operating Expenses as a Percentage of Store Sales	9.6%	N/A	10.8%	10.0%
Sales Per Square Foot (retail and wholesale)	$1,425	N/A	$918	$885

Public Sector Work Environment Benchmark

The LDB participated in the 2008 Work Environment Survey. The survey looked at what workplace experiences matter most to employees and serves as a tool for developing actions that could lead to beneficial changes to employee engagement within the LDB. The survey was based on the British Columbia Public Service Work Environment Survey and the results were compared to the results for the British Columbia Public Service overall.

Performance Measure	LDB	BC Public Service
Employee Engagement	68	66
Organization Commitment	70	67
Job Satisfaction	69	67
Organizational Satisfaction	65	62

Summary Financial Outlook

In Million $	ACTUAL Fiscal 2007-08	FORECAST Fiscal 2008-09	TARGETS Fiscal 2009-10	Fiscal 2010-11	Fiscal 2011-12
Total Sales	2,679.5	2,764.5	2,854.1	2,913.4	2,975.8
Commissions and Discounts	180.0	187.2	193.0	196.9	201.0
Cost of Sales	1,396.5	1,440.6	1,477.6	1,508.7	1,542.3
Operating Expenses	256.0	277.1	294.6	296.8	301.7
Other Income	10.2	7.5	7.1	7.5	7.5
Net Income	857.2	867.1	896.0	918.5	938.3
Capital Expenditures	17.7	19.3	19.7	21.4	30.2
Debt	2.0	1.3	0.91	0.56	0.44
Retained Earnings	0.0	0.0	0.0	0.0	0.0
FTEs	2,851	2,901	2,941	2,949	2,957

Key Forecast Assumptions

Forecast assumptions, based on market trends by product categories, include sales increases of 3.2 per cent, 2.1 per cent and 2.1 per cent over the next three years.

Capital requirements reflect expenditures for updating and improving stores, technology-related projects and ongoing equipment replacements. Risk factors, sensitivities and mitigating strategies are detailed on page 9.

The LDB has two distinct operations – retail and wholesale. The retail operations covers all counter sales in GLSs and wholesale represent all other sales. An Activity-Based Costing Analysis between the retail and wholesale operations, which allocates expenses between the two operations, was done based on activities in fiscal 2007/08. This analysis will be updated each year based on the previous fiscal year's activity. The segmented information provided below allocates the Summary Financial Outlook from the previous page into the retail and wholesale streams.

Segmented Financial Outlook

WHOLESALE In Million $	ACTUAL Fiscal 2007-08	FORECAST Fiscal 2008-09	TARGETS Fiscal 2009-10	 Fiscal 2010-11	 Fiscal 2011-12
Total Sales	1,594.6	1,626.7	1,679.4	1,714.4	1,751.0
Commissions and Discounts	180.0	187.2	193.0	196.9	201.0
Cost of Sales	856.2	888.1	913.1	932.7	953.9
Operating Expenses	73.9	79.4	84.8	85.4	86.9
Other Income	3.8	3.7	3.5	3.7	3.7
Net Income	488.3	475.7	492.0	503.1	512.9

Segmented Financial Outlook

RETAIL In Million $	ACTUAL Fiscal 2007-08	FORECAST Fiscal 2008-09	TARGETS Fiscal 2009-10	 Fiscal 2010-11	 Fiscal 2011-12
Total sales	1,084.9	1,137.8	1,174.7	1,199.0	1,224.8
Commissions and Discounts	-	-	-	-	-
Cost of Sales	540.2	552.5	564.5	576.1	588.4
Operating Expenses	182.1	197.6	209.8	211.3	214.8
Other Income	6.4	3.7	3.6	3.8	3.8
Net Income	369.0	391.4	404.0	415.4	425.4

Executive Management Committee

General Manager
Jay Chambers

Chief Financial Officer
Roger Bissoondatt

Executive Director, Information Services
Don Farley

Director, Corporate Policy
Gordon Hall

Director, Corporate Security
Donna Morse

Legal Counsel
Catherine Sloan

Executive Director, Wholesale and Retail Services
Kelly Wilson

Executive Director, Human Resources
Gordon Zelenika

Contact Information

For more information about the Liquor Distribution Branch, please contact the LDB Communications department:

via phone **604-252-3029**
via email **communications@bcldb.com**

The British Columbia Liquor Distribution Branch Service Plan for Fiscal Years 2009/10 – 2011/12 is available online at **www.bcldb.com**.

www.bcldb.com

BRITISH COLUMBIA
The Best Place on Earth

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